

Salisbury, North Carolina
June 7, 2011

REGULAR MEETING

PRESENT: Mayor Susan W. Kluttz, Presiding; Mayor Pro Tem Maggie A. Blackwell
Councilmen William (Pete) Kennedy, and William Brian Miller, City Manager
David W. Treme; City Clerk Myra B. Heard; and City Attorney F. Rivers
Lawther, Jr.

ABSENT: Councilman Paul B. Woodson, Jr.

Salisbury City Council met in Council Chambers in City Hall located at 217 South Main Street. The meeting was called to order by Mayor Kluttz at 4:00 p.m. The invocation was given by Councilman Miller.

PLEDGE OF ALLEGIANCE

Mayor Kluttz led those present in the Pledge of Allegiance to the United States flag.

RECOGNITION OF VISITORS

Mayor Kluttz welcomed all visitors present

ADDITION TO THE AGENDA

Mayor Kluttz noted the following change to the Agenda:

Addition after Item 20 - Council to receive a Council Committee Report regarding Better Housing from Mayor Pro Tem Blackwell and Councilman Miller.

RECOGNITION - SALISBURY HIGH SCHOOL MEN'S GOLF TEAM

Mayor Kluttz recognized the Salisbury High School Men's Golf team for winning the North Carolina 2A Golf State Championship. She read a Proclamation proclaiming June 7, 2011 as Salisbury High School Men's Golf Day. She presented a framed copy of the Proclamation to Coach Dale Snyder and team members Mr. Eric Edwards, Mr. Alex Nianouris, Mr. Troy Beaver, Mr. Clark Alcorn, Mr. Alex Lee, Mr. Joseph Rusher, Mr. Alex Austin, Mr. Garrett Yelton, and Mr. Chuck Parks.

Mayor Kluttz congratulated the team, commenting they continue to make Council proud.

RECOGNITION - EL LATINO NEWSPAPER

Mayor Kluttz recognized El Latino as the only Latino newspaper in Rowan County. She introduced Pastor Bill Godair, from Cornerstone Church, who stated the Latino population is rapidly increasing in Rowan County and North Carolina. He noted North Carolina has one of the fastest growing Latino populations in the United States.

Pastor Godair introduced Mr. Orlando Zapata as the editor of El Latino. Pastor Godair stated Mr. Zapata was the editor of a Rowan County Spanish newspaper started by Cornerstone Church in 2001. He noted the newspaper was sold, and closed a few months later. Pastor Godair stated the Church was very shocked to learn the Latino population has not had a newspaper in Rowan County since 2007.

Mr. Zapata introduced the new team for El Latino: Ms. Belinda Medina, Ms. Elsy Menjivar, Ms. Yancy Menjivar, Mr. Pablo Sanchez, and Ms. Gabriela Zapata.

Pastor Godair stated El Latino produces 5,000 printed newspapers each month, and it is also available on line at www.ellatinotoday.com. He concluded by stating Latinos can find Spanish newspapers in Salisbury from the Greensboro, Charlotte and Winston-Salem markets, and he pointed out this takes Latino buying power away from Salisbury and Rowan County.

Mayor Kluttz congratulated Pastor Godair and the staff, and thanked them for looking out for the Latino population and giving the City an opportunity to share what is happening in City government and local businesses. She stated the Church has done an outstanding job of looking out for the community. She thanked Pastor Godair, the staff of El Latino, and Cornerstone Church for all they do for the City.

Councilman Kennedy thanked Pastor Godair for helping the City serve its citizens.

RECOGNITION - POLICE AND FIRE DEPARTMENT EMPLOYEES OF THE YEAR

Police Chief Rory Collins recognized the Veteran Officer of the Year, Young Officer of the Year, and Employee of the Year for 2011 from the Salisbury Police Department:

Veteran Officer of the Year
Young Officer of the Year
Employee of the Year

Detective Travis Shulenburg
Officer Wesley Lane
Police Planner Michael Dhooghe

Fire Chief Bob Parnell recognized the Veteran Firefighter of the Year, Rookie Firefighter of the Year, Fire Captain of the Year, Medical Responder and "Bernard Penley-Service Above Self Award winner.

Veteran Firefighter of the Year
Rookie Firefighter of the Year
Fire Captain of the Year
Medical Responder
"Bernard Penley-Service Above Self" Award

Engineer Shawn McBride
Fire Control Specialist Ryan Tillis
Captain Lewis Rogers
Firefighter/EMT Justin Vess
Engineer Marshal D. Lancaster

Mayor Kluttz congratulated each individual and presented them with a Certificate of Recognition. She stated Council is grateful for all that the Police Department and Fire Department do for the City.

INTERNATIONAL ACCREDITATION AWARD PRESENTATION TO POLICE DEPARTMENT

Mayor Kluttz introduced Police Chief Rory Collins to give a presentation regarding the Salisbury Police Department's seventh consecutive accreditation by the Commission on Accreditation for Law Enforcement Agencies (CALEA). Chief Collins introduced Lieutenant Andy Efird and Accreditation Manager Michael Dhooghe. He stated the Salisbury Police Department is an Internationally Accredited Police Department, having been awarded the Department's seventh consecutive reaccreditation which equals 21 consecutive years of accreditation. He stated this status holds the Department accountable to 464 professional standards, and the Department is subject to reaccreditation every three years.

Lieutenant Andy Efird reviewed the process for Accreditation. He stated in March 2011 he traveled with Chief Collins and Accreditation Manager Michael Dhooghe to the CALEA Conference in Bethesda, Maryland. He explained they appeared before a panel of CALEA Commissioners who presented the Salisbury Police Department with its seventh consecutive CALEA Accreditation at the end of the conference. He noted this award holds meritorious status, which means the Salisbury Police Department has held the award for 15 or more consecutive years.

Chief Collins presented the Certificate of Advanced Meritorious Accreditation to Mayor Kluttz and Council on behalf of the Salisbury Police Department and thanked them for their support.

Mayor Kluttz stated Council knows the City has an excellent Police Department, and this award brings great pride to the City of Salisbury. She concluded by thanking the entire department.

PROCLAMATIONS

Mayor Kluttz proclaimed the following observance:

LGBT PRIDE DAY

June 25, 2011

CONSENT AGENDA

(a) Approval of Minutes

Approve Minutes of the Regular Meeting of May 17, 2011.

(b) Temporary Street Closure for neighborhood event

Close the 400 and 500 blocks of South Fulton Street Saturday, July 2, 2011, from 2:00 p.m. until 4:00 p.m. for a neighborhood event.

(c) Budget Ordinance Amendment – Community Appearance Commission

Adopt a budget **ORDINANCE** amendment to the FY2010-2011 budget in the amount of \$15,000 to appropriate two grants to the Community Appearance Commission for the Block Work Neighborhood Improvement Project.

(The above Ordinance is recorded in full in Ordinance Book No. 23 at Page No. 32, and is known as Ordinance 2011-19.)

(d) Budget Ordinance Amendment – Right-Of-Way on East Innes Street

Adopt a budget **ORDINANCE** amendment to the FY2010-2011 budget in the amount of \$17,980 to appropriate a grant from North Carolina Department of Transportation (NCDOT) for landscaping in the right-of-way on East Innes Street.

(The above Ordinance is recorded in full in Ordinance Book No. 23 at Page No. 33, and is known as Ordinance 2011-20.)

(e) Budget Ordinance Amendment – Public Art Committee

Adopt a budget **ORDINANCE** amendment to the FY2010-2011 budget in the amount of \$3,643 to appropriate various donations to the Public Art Committee.

(The above Ordinance is recorded in full in Ordinance Book No. 23 at Page No. 34, and is known as Ordinance 2011-21.)

Thereupon, Councilman Miller made a **motion** to adopt the Consent Agenda as presented. Councilman Kennedy seconded the motion. Messrs. Kennedy and Miller, and Mses. Blackwell and Kluttz voted AYE. (4-0)

INTERNAL TRANSFER OF PROPERTY FROM ECONOMIC DEVELOPMENT TO PARKS AND RECREATION

Ms. Amy Smith, Chair of the Parks and Recreation Advisory Board, and Ms. Mary Arey, representing the West Square Neighborhood Group, addressed Council regarding City-owned property located at 615 South Ellis Street. Ms. Smith requested the property be transferred from Economic Development to Parks and Recreation for use as a future neighborhood park. She noted the original request came from the West Square Neighborhood Group and was presented to the Parks and Recreation Advisory Board, who approved the concept. She stated the request meets the goals of the Parks and Recreation 2020 Master Plan, which calls for more neighborhood parks. Ms. Smith indicated maintenance will be provided by the neighborhood until there is funding for development.

Ms. Smith requested Council transfer the property to Parks and Recreation to provide open green space for children in the neighborhood.

Thereupon, Mr. Kennedy made a **motion** to transfer property located at 615 South Ellis Street from Economic Development to Parks and Recreation. Mr. Miller seconded the motion. Messrs. Kennedy and Miller, and Meses. Blackwell and Kluttz voted AYE. (4-0)

Mayor Kluttz thanked the Parks and Recreation Advisory Board, the Areys, and the neighborhood for wanting this property to be a park and taking care of its maintenance until funds are available for its development.

DISBURSEMENT OF GRANT FUNDS TO TURNKEY TECHNOLOGIES

Mr. Robert Van Geons, Executive Director of the Salisbury-Rowan Economic Development Commission (EDC), spoke to Council regarding grant funds for Turnkey Technologies. He noted Council adopted the Industrial Building Revitalization (IBR) program in November 2010, and he reviewed a summary of the program:

- Under the terms of the IBR Program, the City of Salisbury will reimburse the applicant a maximum of \$25,000 or 25% of eligible costs (whichever is less) for permanent improvements to vacant buildings, utilized for light industrial, warehousing or similar purpose

Mr. Van Geons noted examples of qualifying improvements:

- Window replacement
- Façade repairs
- Repair/replacement of roof
- Structural improvements
- HVAC Systems
- Floors and flooring
- Electrical distribution

- Ventilation
- Dock doors and levelers
- Americans with Disabilities Act (ADA) improvements

Mr. Van Geons reviewed the Program Eligibility:

- Applicant must document that building or tenant space has been vacant for more than six months
- Property must be located in a designated "Community and Economic Development Project Area," Urban Progress Zone (UPZ), or UPZ eligible area of the City
- Applicant must provide a detailed cost estimate outlining proposed improvements and their estimated costs
- Total improvements must exceed \$20,000, including the grant
- Eligible buildings must have been built before 1990
- Proposed operation must employ one person per \$5,000 of grant funds approved

Mr. Van Geons then reviewed the Turnkey Technologies Project Summary:

- Originally based in Concord, North Carolina, Turnkey Technologies recently relocated to the former Power Curbers building at 402 Bringle Ferry Road
- The company has spent nearly \$200,000 in improvements to the building
- Among these improvements are HVAC upgrades, electrical and flooring renovations, and painting
- In addition to building improvements, Turnkey employs 12 at the Salisbury facility and is currently considering adding additional employees

Mr. Van Geons displayed before and after photographs of improvements made to the building. He further reviewed the Turnkey Technologies project:

- Project Turnkey was previously endorsed as an applicant to the IBR program
- In order to qualify for this grant, Turnkey had to demonstrate it had expended \$100,000+ in qualifying building improvements and employed more than 5 at the site
- With nearly \$200,000 in qualifying building expenditures and 12 employees at the site, Turnkey Technologies had more than exceed the minimum requirements
- This project has improved and made use of a formerly idle building and will likely encourage improvements in the adjacent community

Mr. Van Geons requested Council approve disbursement of the \$25,000 grant to Turnkey Technologies. He noted Mr. Tony Ward, President of Turnkey Technologies, invites Council to tour the facility as their schedule allows. He pointed out Turnkey Technologies is also a Fibrant customer.

Mayor Kluttz indicated Council is very grateful for what Mr. Van Geons and Turnkey Technologies has done. She stated she is excited to hear the incentive grant is working.

Councilman Miller stated he would like to accept the invitation to tour the facility, and noted it will help create awareness of the IBR program. Mayor Kluttz indicated City Clerk Myra Heard will coordinate Council's tour of the facility.

Councilman Kennedy thanked Mr. Van Geons for his hard work to create jobs in the City.

Thereupon, Mr. Miller made a **motion** to disburse grant funds in the amount of \$25,000 to Turnkey Technologies in accordance with the Industrial Building Revitalization (IBR) program as presented by the City's Economic Development Professional. Ms. Blackwell seconded the motion. Messrs. Kennedy and Miller, and Meses. Blackwell and Kluttz voted AYE. (4-0)

PUBLIC HEARING – PROJECT TREE

Mr. Robert Van Geons, Executive Director of the Salisbury-Rowan Economic Development Commission (EDC), requested Council consider an incentive grant for a public/private partnership to create jobs in the City. He reviewed a project summary for "Project Tree":

- The company is an existing employer in Rowan County, with operations outside the City of Salisbury
- The company is considering the acquisition of vacant industrial building in Salisbury in which to establish a new, separate and additional production division
- The company is also in discussions with the State of North Carolina for possible assistance. State grants for job creation require a match from non-state sources. We are asking the City of Salisbury to consider providing \$37,500 as part of the local match
- The EDC also asked Rowan County to contribute \$37,500 toward the project, to be combined with assistance from Duke Energy

Mr. Van Geons explained the grant being requested is job-based because when the EDC partners with the State of North Carolina for grant funds, it requires a match of non-state funds within three years, and the State grants are based on job creation.

Mr. Van Geons noted the company is interested in the former Maxon Furniture building located off of Grace Church Road. He provided additional information regarding Project Tree:

- Project Tree is considering sites in North and South Carolina, and Virginia for an expansion
- Projected company investment is \$2.6 million in new equipment, building acquisition and site improvements

- Project would create 49 jobs, with an average annual salary exceeding \$37,000
- Requested Job Creation Grant would be \$765.31 per job created to a maximum of \$37,500
- Grant would be performance-based and would require the company to create and maintain the jobs in order to receive the full grant

Mr. Van Geons reiterated the grant will be performance-based and if jobs are not created, the grant will not be received. He stated the grant is paid in installments to ensure jobs are added, and if the jobs are eliminated the grant has a call-back provision to recover the funds.

Mr. Van Geons requested Council set a public hearing to receive public comments on the proposed incentive grant.

Thereupon, Mr. Kennedy made a **motion** to set a public hearing for June 21, 2011 to receive public comment regarding an economic development investment grant to Project Tree. Mr. Miller seconded the motion. Messrs. Kennedy and Miller, and Mses. Blackwell and Kluttz voted AYE. (4-0)

UPDATE – SHOBER BRIDGE

Engineering Director Dan Mikkelson addressed Council regarding an update to the Ellis Street (Shober) Bridge. He reviewed the history of the project:

- 1985: Qualified for 80% federal funding
 - National Environmental Policy Act (NEPA)
 - Involve the public
 - Avoid, minimize, or mitigate adverse effects on historic properties
- 1999: Completed NEPA Process (the 1st time)
 - New bridge
 - Clearance for 2 existing tracks
- 2001: Norfolk Southern Railroad (NSRR) requested 3-track bridge
- 2002: Re-opened NEPA process
- August 2010: Council decided to rehabilitate bridge:
 - Support fire trucks
 - Qualify for funding
- Notified the North Carolina Department of Transportation and NSRR
- October 2010: NSRR still wants a new, 3-track bridge

Mr. Mikkelson indicated in May 2011 the Federal Highway Administration stated it would fund any option that satisfied NSRR. He stated there were four options that had been almost entirely through the NEPA process: a three-track bridge requested by the railroad; a two-track bridge; the rehabilitation option preferred by City Council; and the No-build alternative. He noted the decision by the Federal Highway Administration to fund any option satisfying NSRR effectively eliminated two of the options previously discussed. He indicated the two options remaining are to proceed in accordance with NEPA and attempt to build a three-track

bridge, or Council could select a No-build alternative and remain with the status quo. He pointed out these are the only two options that have made it through the NEPA process, and when Council makes a decision regarding one of the two options, the City will have completed the NEPA process.

Mr. Mikkelson informed Council the North Carolina Department of Transportation (NCDOT) has invoiced the City to payback funds provided for Planning and Engineering for the bridge, to prepare and abide by the NEPA process.

Mr. Mikkelson stated staff recommendation is to complete the NEPA Process by choosing one of the two remaining options:

- 3-Track Bridge:
 - Minimum historic preservation
 - Improve traffic
 - Reduce maintenance
 - Start over (per NCDOT)
 - Pursue extension of planning and engineering
- No-build:
 - Maximum historic preservation
 - Maintain status quo – traffic
 - Maintain status quo – maintenance
 - Pursue waiver of payback.

Mr. Mikkelson pointed out if the City chooses the No-build option, and it has gone through the NEPA process to reach that conclusion, the Federal Highway Administration has indicated it does not want to hold that decision against the City, and force it to build the new bridge.

Mayor Kluttz recognized Ms. Cynthia Jenkins, Executive Director of the Historic Salisbury Foundation, to speak about the bridge options. Ms. Jenkins encouraged Council to select the No-build option for the bridge. She commented the bridge's setting, materials and location all indicate the bridge is in Salisbury and not just another standard bridge in any community. She stated the Taylor family used the bridge during school integration, and it is a very exciting and real part of the City's transportation history. She commented the Historic Salisbury Foundation looks forward to working with Council to protect the bridge and making it a safe bridge for citizens continued use.

Mayor Kluttz indicated she thinks Council should choose the No-build option because historic preservation is such an important part of the City, and the community has rallied for the bridge's preservation. She stated if Council only has two choices, it is not wise to build a three-track bridge when it is not known if or when there will be three tracks. She commented she thinks Council should choose the No-build option as long as the bridge can remain safe for traffic. She added staff should seek an immediate waiver of the funds provided for Planning and Engineering.

Councilman Kennedy commented he is annoyed the Federal Highway Administration would take NSRR's side, rather than City Council, since Council represents the citizens of Salisbury. He stated Council has gone on record that it wants the bridge to be rehabilitated, and for the Federal Highway Administration to take the Railroad's side rather annoys him. He added he supports the No-build option and seeking a waiver for the money already spent.

Councilman Miller noted given the City's current fiscal circumstances this is not the time to push forward with building a new bridge, and his preference is the No-build option. He added the issue of emergency vehicles crossing the railroad tracks in a more efficient manner still exists, and he would like to continue to work on a solution for that problem.

Mayor Pro Tem Blackwell agreed with the No-build option. She stated the three-track bridge would significantly affect citizens' property and significantly impair the character of a historic neighborhood. She commented the historic neighborhoods draw visitors to the City and generate revenue for businesses, and she agrees that maintaining the historic bridge is important.

Thereupon, Ms. Blackwell made a **motion** to select the No-build alternative for Project B-2085, Ellis Street Bridge, in accordance with the National Environmental Protection Act (NEPA) Guidelines, and request staff to submit a waiver to the Federal Highway Administration for the Planning and Engineering funds. Mr. Kennedy seconded the motion. Messrs. Kennedy and Miller, and Meses. Blackwell and Klutz voted AYE. (4-0)

RELEASE STORM DRAIN EASEMENT –WESTGATE COMMONS

Engineer Patrick Ritchie informed Council Engineering staff has been working with a developer for construction of Westgate Commons shopping center. He indicated the development is a 15 acre tract located at the corner of Jake Alexander Boulevard and Brenner Avenue. He stated the property was previously owned by Livingstone College, and the recorded deed references several storm drainage easements for the City of Salisbury and the North Carolina Department of Transportation (NCDOT), which were put in place during the construction of Brenner Avenue. Mr. Ritchie noted the developer is requesting the City execute a deed to release the recorded easements. He stated the development plans comply with the Land Development Ordinance (LDO), and as approved, require the developer to put permanent storm drainage easements in place that match with the required storm water pond. He added the easements currently in effect will be invalid with the new requirements.

Mr. Ritchie indicated staff recommends Council authorize the City Manager to execute a deed to release the property owner from previously recorded storm drainage easements.

Councilman Kennedy clarified there will be new easements to address storm drainage, and the old easements need to be removed to avoid confusion. Mr. Ritchie confirmed this is correct.

Thereupon, Mr. Miller made a **motion** to authorize the City Manager to execute a deed to release the property owner from the previously recorded easements for property located at Tax Map 062 Parcel 055. Mr. Kennedy seconded the motion. Messrs. Kennedy and Miller, and Mses. Blackwell and Kluttz voted AYE. (4-0)

PERMIT FOR TEMPORARY USE OF THE PUBLIC RIGHT-OF-WAY AT 126-128 NORTH MAIN STREET

Engineering Director Dan Mikkelson indicated Section 22-50 of the City Code contains regulations regarding use of the public right-of-way in the downtown area. He noted the property located at 126 and 128 North Main Street, which is occupied by Signs and Steins, is being renovated. He stated the renovations require scaffolding be in place on the sidewalk, and City Code allows staff to permit the use for up to two weeks. He indicated City Council must approve additional time over two weeks. Mr. Mikkelson stated he has issued the two week permit, and he requested Council extend the right-of-way use permit through July 19, 2011. He added all conditions established by staff will remain in effect for the permit extension.

Thereupon, Mr. Kennedy made a **motion** to approve a right-of-way use permit for 126-128 North Main Street, subject to conditions as recommended by staff. Ms. Blackwell seconded the motion. Messrs. Kennedy and Miller, and Mses. Blackwell and Kluttz voted AYE. (4-0)

RESOLUTION AWARDING A LEASE-PURCHASE CONTRACT FOR PURCHASE OF FIRE TRUCK

Assistant City Manager John Sofley addressed Council regarding the purchase of a Quint fire truck. He noted the purchase was approved in the annual budget, and he explained the truck will be purchased through a four-year lease purchase. He stated bids were solicited and two were received. He recommended Council approve awarding the lease purchase contract to Suntrust Equipment Financing and Leasing Corporation for a rate of 1.625% over four years.

Thereupon, Mr. Kennedy made a **motion** to adopt a Resolution approve financing terms and awarding a contract in the amount of \$714,000 to Suntrust Equipment Financing and Leasing Corporation for the purchase of one Quint fire apparatus for the Fire Department. Ms. Blackwell seconded the motion. Messrs. Kennedy and Miller, and Mses. Blackwell and Kluttz voted AYE. (4-0)

RESOLUTION AWARDING A LEASE-PURCHASE CONTRACT IN THE AMOUNT OF \$714,000 TO SUNTRUST EQUIPMENT FINANCING AND LEASING CORPORATION AND APPROVING FINANCING TERMS FOR THE PURCHASE OF A NEW FIRE TRUCK.

(The above Resolution is recorded in full in Resolution Book No. 14 at Page No. 15, and is known as Resolution 2011-15.)

RESOLUTION AWARDING A LEASE-PURCHASE CONTRACT FOR PURCHASE OF SECURITY EQUIPMENT

Assistant City Manager John Sofley addressed Council regarding the purchase of security equipment. He noted this bid process was conducted at the same time as the fire truck previously approved by Council. He stated funds were included in the annual budget to finance security equipment, and staff recommends Council award the contract to Suntrust Equipment Financing and Leasing Corporation for a rate of 1.625% for four years.

Thereupon, Ms. Blackwell made a **motion** to adopt a Resolution approving financing terms and awarding a contract in the amount of \$200,000 to Suntrust Equipment Financing and Leasing Corporation for the purchase of security equipment. Messrs. Kennedy and Miller, and Mses. Blackwell and Kluttz voted AYE. (4-0)

RESOLUTION AWARDING A LEASE-PURCHASE CONTRACT IN THE AMOUNT OF \$200,000 TO SUNTRUST EQUIPMENT FINANCING AND LEASING CORPORATION AND APPROVING FINANCING TERMS FOR THE PURCHASE OF SECURITY EQUIPMENT.

(The above Resolution is recorded in full in Resolution Book No. 14 at Page No. 16, and is known as Resolution 2011-16.)

MEMORANDUM OF UNDERSTANDING IN SUPPORT OF THE SUSTAINABLE COMMUNITIES REGIONAL PLANNING PROGRAM

Community Planning Services Director Joe Morris, and Ms. Rebecca Yarborough, Centralina Council of Governments, addressed Council regarding a Sustainable Community Regional Planning program.

Mr. Morris indicated staff met with Ms. Yarborough to discuss a planning opportunity available for the City of Salisbury. He added the program aligns perfectly with projects presented earlier in the meeting by the Salisbury-Rowan Economic Development Commission.

Ms. Yarborough informed Council that Centralina Council of Governments (COG) has received a \$40,000 grant from the North Carolina Department of Environment and Natural Resources (NCDENR) to promote sustainable communities. She stated the project COG applied for looks at older, industrial and commercial properties within five corridors of the region. She added the plan will identify those areas that might be most distressed, but also those areas that might be most catalytic in terms of neighborhood revitalization. She stated the plan would include more projects similar to the Industrial Building Revitalization (IBR) project Council discussed earlier in the meeting. Ms. Yarborough stated COG is hopeful by looking at this on a regional basis it will bring a good group of people together to begin addressing this issue. She noted the project will also help identify redevelopment tools not available to communities in North Carolina, that are available in other states.

Ms. Yarborough stated the deliverable from the project will incorporate the City's priorities for redevelopment into a regional redevelopment plan that focuses on redevelopment where there is existing infrastructure, reinvestment where it will be catalytic for the entire community, and reinvestment where additional United States Housing and Urban Development (HUD) funds can be targeted.

Councilman Miller asked if the City will be agreeing to cost sharing if it participates in the project. Ms. Yarborough responded COG is not seeking a specific in-kind match from the City, but requests staff share the City's existing redevelopment plans. She added COG will also seek local information, such as vacant or occupied buildings, which is not available from online databases. She noted a City representative will also be invited to participate in the regional stakeholder group.

Thereupon, Mr. Miller made a **motion** to authorize the Mayor to enter a Memorandum of Understanding in support of the Sustainable Communities Regional Planning Program. Mr. Kennedy seconded the motion. Messrs. Kennedy and Miller, and Mses. Blackwell and Kluttz voted AYE. (4-0)

APPOINTMENTS TO VARIOUS BOARDS AND COMMISSIONS

This item was postponed.

COUNCIL COMMITTEE REPORT – BETTER HOUSING AND NEIGHBORHOOD REVITALIZATION

Mayor Pro Tem Blackwell reported she and Councilman Miller have met twice since Council's May 17, 2011 meeting. She noted this issue came from the Committee established by Council in October 2010 to study Better Housing and Neighborhood Stabilization. She stated the Committee presented its recommendations to Council, and she and Councilman Miller have met to review the recommendations. She noted the Council Committee will meet again Monday, June 13, 2011.

Ms. Blackwell stated a large part of what she and Mr. Miller have done is defer some of the action items to agencies who could best handle the items. She commented the Committee has made good progress, and she anticipates Monday will be its final meeting. She added the Committee will then bring its recommendations to Council, hopefully at its June 21, 2011 meeting.

Councilman Miller commented the Council Committee is working to distill the recommendations of the Better Housing Committee into action steps for Council. He stated the Committee is not trying to recreate the work done by the Better Housing Committee, but distill the recommendations into something manageable and actionable for Council. He noted he is also pleased with the progress made by the Council Committee, and any additional meetings will depend upon what is accomplished June 13.

Mayor Kluttz thanked Mayor Pro Tem Blackwell and Councilman Miller for their time in serving on this Council Committee. She noted Council looks forward to the Committee's report at its next meeting.

CITY MANAGER'S COMMENTS

(a) **Rowan/Kannapolis ABC Board 2011-2012 Consolidated Budget**

City Manager David Treme noted Council appointed Mr. David McCoy as its representative on the Rowan/Kannapolis ABC Board. He stated one of the new State requirements for the ABC Board is the adoption of an annual budget. He indicated the ABC Board has operated with a financial plan in the past, but not an adopted budget. Mr. Treme distributed copies of the Rowan/Kannapolis ABC Board 2011-2012 Consolidated Budget to Council.

Mr. Treme commented Mr. McCoy is a Certified Public Accountant and was a great help in developing the annual budget, and was a very wise choice for appointment by Council.

MAYOR'S ANNOUNCEMENTS

(a) **Kiwanis Junior Open Tennis Tournament**

Mayor Kluttz announced the Salisbury Parks and Recreation Department will hold the Kiwanis Junior Open Tennis Tournament Friday, June 17, 2011, through Sunday, June 19, 2011, at the City Park Tennis Courts, 316 Lake Drive. Those interested in participating should contact the City Park Recreation Center at 704-638-5295.

(b) **City Council Budget Worksession**

Mayor Kluttz announced Council will conduct a budget worksession Thursday, June 9, 2011 from 10:00 a.m. until 1:00 p.m. in Council Chambers. She noted the worksession may continue on Friday, June 10, 2011 from 10:00 a.m. until 1:00 p.m. if Council does not finish Thursday.

(c) **Retirement of City Manager David W. Treme**

Mayor Kluttz announced it is with great sadness Council has received notification from City Manager David Treme that he will retire as City Manager effective August 1, 2011. She stated Mr. Treme has served the City for over 25 years, and in addition to his professional service to the City he has also held leadership positions for non-profits including the Rowan County United Way, Rowan County Chamber of Commerce, Salisbury Rotary Club, and the Salisbury Community Development Corporation. She noted Mr. Treme began his 36 year career

as City Manager of Mauldin, South Carolina in 1975, and then moved to Georgetown, South Carolina before coming to Salisbury in 1986. Mayor Kluttz indicated Council has urged Mr. Treme to remain, but recognizes and honors his request to spend more time with his family and to pursue new endeavors outside of City government. She stated she has worked closely with Mr. Treme since becoming Mayor 14 years ago, and it is very difficult to imagine Salisbury City government without his leadership. She commented Mr. Treme is responsible for instituting many of the practices used in the City organization today, and they have made Salisbury a model for other cities in the State and nation. She stated Mr. Treme introduced the Goals and Outcomes process, the annual Goal Setting Retreat, the Management Team leadership concept, and Customer Service initiatives, and these are a few of the things that make Salisbury's government unique.

Mayor Kluttz stated there have been many accomplishments over the past 25 years, and some include renovation of the Plaza Building, revitalization of the Downtown, Towne Mall redevelopment, and the Flowers Bakery project. She noted public/private partnerships have included partnering with Progress Energy to increase Salisbury's water plant capacity to over 25 million gallons per day. She pointed out the City's customer service initiative was featured nationally in the August 2010 Public Management Magazine. Mayor Kluttz stated Council is also grateful for the tremendous job Mr. Treme has done for Fibrant. She commented after several years of study, focus groups and public hearings, Mr. Treme has guided Council through construction of the system, the new customer service building, and completion of the infrastructure. She stated the system is now fully operational and serves over 900 customers.

Mayor Kluttz commented she thinks one of Mr. Treme's greatest strengths is he understands the importance of having a strong team of leaders managing the City's departments. She added the City has an excellent group of leaders in place, and this will help ensure a smooth transition for the City moving forward. She stated she is confident the City will continue to have an outstanding government because of this.

Mayor Kluttz stated Council is very grateful for Mr. Treme's tremendous service to the City, and his dedication and love for the City, its people and employees. She noted she thinks Salisbury is the place it is today, in great part because of Mr. Treme's vision and leadership. She wished Mr. Treme the best in the days ahead.

Councilman Kennedy stated he reluctantly accepts Mr. Treme's desire to retire. He noted he has been on Council for 18 years and has enjoyed serving on Council because of Mr. Treme's professionalism. He stated Mr. Treme has always provided information for Council to base its decisions. He noted he has learned a great deal working with Mr. Treme the past 18 years, and Mr. Treme will be missed. He added Mr. Treme has put a good Management Team in place who can carry on his work and traditions, and he looks forward to seeing and calling on Mr. Treme for advice in the future. He stated he will miss Mr. Treme, but he understands Mr. Treme's heart is with the City, and he wished him well in all new endeavors.

Councilman Miller commented he is also reluctant in accepting Mr. Treme's resignation. He commented when he was newly elected to Council, he was also beginning a new job with a new employer, and was looking for validation for his decisions. He noted he visited Mr. Treme

at his office, and he was very touched that Mr. Treme spent time in prayer with him regarding decisions that would be best for his family. He commented Mr. Treme has been a good person for the City and will be sorely missed. He stated he and Mr. Treme may have had differences of opinion on matters at times, but there was always mutual respect, and he is most appreciative for this. Mr. Miller commented Salisbury could not have had a better soldier than Mr. Treme, and he appreciates all that he has done.

Mayor Pro Tem Blackwell commented Mr. Treme has given many long years, and many long days that have included many early morning and late night calls. She stated Mr. Treme has fought a long fight, and Council hopes he will be rewarded with a wonderful retirement. She thanked Mr. Treme for his service.

City Manager David Treme commented he has been a City Manager for 36 years and worked with many Council members, but he has enjoyed working with the City of Salisbury and especially with Mayor Kluttz and this City Council. He indicated he appreciates Mayor Kluttz's leadership and the leadership displayed by Council, and he thinks they are men and women of integrity. He stated the style of leadership in Salisbury is Servant Leadership, and customer service and public/private partnerships have been promoted. He added he has tried to engage the public in the democratic process.

Mr. Treme noted he informed the Management Team of his decision this afternoon and indicated his appreciation for their support of him. He stated he also appreciates the employees of the City who work hard to make things happen. He noted he thinks Salisbury has the most outstanding employees in the State of North Carolina, and he is proud of all that has been accomplished.

Mr. Treme commented he determined he would not be able to stay with the City through December 31, 2012, and he thought it was the best time to retire since he could not make a longer commitment to City Council. He noted he wants to devote more time to his wife, and his two-year old granddaughter who lives in Korea. Mr. Treme stated he hopes to do new things such as teaching on subjects such as leadership, state and local government, management or strategic planning. He added he thinks he has learned what works in a live organization and he would like to share what he has learned with others. He noted there may also be opportunities to work with the customer service initiative statewide. Mr. Treme stated this is the first time he does not have firm plans, but he feels the time is right for retirement. He commented he has tried to the best of his ability to glorify God in all that he has done, and to serve the best he could. He thanked Council for its encouragement during the last several months, and he expressed his love for everyone. He noted he leaves with nothing but good thoughts for the City, the Management Team and the employees. Mr. Treme stated he plans to remain in Salisbury, but will see what the Lord is leading him to do in the next few months. He thanked Council for its support and stated he prays God will grant Council favor and wisdom for the many tough issues coming its way. He noted he has given his very best to Council and has enjoyed his career and has indeed been blessed.

Mayor Kluttz expressed Council's gratitude for Mr. Treme's service. She stated this is a historic time because it ends a very important chapter in Salisbury's history. She added she

thinks the City is better off today because of Mr. Treme's love, concern, and dedication.

Mayor Kluttz presented a Resolution naming David W. Treme as City Manager Emeritus effective upon his retirement August 1, 2011, for Council's consideration.

Thereupon, Mr. Kennedy made a **motion** to adopt the Resolution as read by Mayor Kluttz. Mr. Miller seconded the motion. Messrs. Kennedy and Miller, and Ms. Blackwell and Kluttz voted AYE. (4-0)

RESOLUTION APPOINTING DAVID W. TREME AS CITY MANAGER EMERITUS

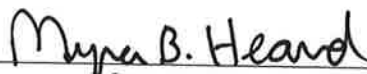
(The above Resolution is recorded in full in Resolution Book No. 14 at Page No. 17, and is known as Resolution 2011-17.)

Mayor Kluttz then presented a framed copy of the Resolution to Mr. Treme.

RECESS

Thereupon, Ms. Blackwell made a **motion** to recess until Thursday, June 9, 2011 at 10:00 a.m. in City Council Chambers, 217 South Main Street. Mr. Kennedy seconded the motion. Messrs. Messrs. Kennedy and Miller, and Ms. Blackwell and Kluttz voted AYE. (4-0)

The meeting recessed at 5:50 p.m.



Myra B. Heard, City Clerk


Susan W. Kluttz, Mayor